

HEALTH & HUMAN SERVICES OVERVIEW

Summary of Governor's Proposed 2007-08 Budget

Services provided through Medi-Cal; Healthy Families; CalWORKS; In-Home Supportive Services; Regional Centers; and other programs touch the lives of millions of Californians. Health and Human Services programs provide access to short- and longer-term services and supports that promote the health, well-being, and independent living of our state's most vulnerable children, adults, seniors, and families.

The budget for Health and Human Services proposes a total of \$78.7 billion (\$29.9 billion General Fund) in combined state and federal funds, including expenditures for about 33,380 state employees for 2007-08.

Key proposals include the following:

- Proposes significant changes to the California Work Opportunity and Responsibility to Kids (CalWORKs) Program resulting in a decrease of \$464.7 million (General Fund) in 2007-08. The main components of these changes include restricting safety net grants, imposing full family sanctions, eliminating grants for children of CalWORKs ineligible parents, and suspending the CalWORKs cost-of-living adjustment.
- Proposes to cap the state's contributions to wage and benefit increases for In-Home Supportive Services (IHSS) resulting in a reduction of \$14.1 million (General Fund).
- Proposes to cut Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (SACPA), funding by \$60 million (50 percent of current funding). The budget would increase funding by \$35 million to the Substance Abuse Offender Treatment Program (OTP).
- Provides an increase of \$3.9 billion (\$1.6 billion General Fund) for enrollment, caseload, and population driven program increases in health and human services program.
- Reflects the reorganization of the Department of Health Services into two separate departments—(1) the Department of Health Care Services, and (2) the Department of Public Health—as required by SB 162 (Ortiz), Statutes of 2006.
- Provides an increase of \$53.9 million (General Fund) to implement Proposition 83—Jessica's Law—approved by voters in November 2006, within the Department of Mental Health.
- Proposes the elimination of the Integrated Services for Homeless Adults with Serious Mental Illness Program for a decrease of \$54.9 million (General Fund) within the Department of Mental Health.

Each of these proposals is discussed in more detail below.